



NEA: Electricity connections hit 14 million mark

The National Electrification Administration (NEA) and the electric cooperatives (ECs) have crossed yet another milestone in the rural electrification program despite the disruptions caused by the coronavirus pandemic.



The NEA, in partnership with the 121 non-profit power distribution utilities across the country, passed the 14 million mark in consumer connections after electrifying over 150,000 new consumers in the third quarter of the current year.

Data from the NEA Information Technology and Communication Services Department (ITCSD) showed the overall consumer connections have reached 14,253,053 within the coverage areas of the ECs as of December 31, 2020.

About 6.574 million or 46.93 percent of the overall connections are located in Luzon; 3.747 million or 26.75 percent are found in the Visayas; and 3.688 million or 26.32 percent are in Mindanao.

"This is a testament to the hard work, dedication, and commitment of the agency and the 121 ECs nationwide to provide electricity

to the remaining households in remote and rural areas despite the coronavirus restrictions," NEA Administrator Edgardo Masongsong said.

For the third quarter alone, the NEA ITCSD data showed the ECs delivered 156,075 additional consumer connections, bringing the number of new connections to 365,856 or 80 percent of the 460,000 corporate target for 2020.

The number was higher compared to the 75,346 new connections recorded in the second quarter and 134,435 consumers in the first quarter of this year.

The NEA ITCSD data also showed that the number of unserved consumers in rural areas based on the 2015 census is now down to 1.686 million.###

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85 electric co-ops get highest rating in 2019 performance assessment

NEA announced that 85 out of 121 electric cooperatives (ECs) in the country earned the highest rating of AAA in the 2019 EC Overall Performance Assessment.

Of the 85 ECs that obtained the AAA rating, 30 ECs garnered a score of 100 points in all the performance parameters. All ECs in Regions I (Ilocos Region), VI (Western Visayas), VIII (Eastern Visayas), and Caraga notched the AAA status, maintaining their excellent performance.

The result of the 2019 overall performance assessment also showed that 85 percent or 103 ECs were evaluated by the NEA as either AAA, AA, or A status. At least 11 ECs improved in their scores in all performance levels.

The ECs that showed improvement in ratings included Lanao del Norte Electric Cooperative, Inc. (LANECO), Sorsogon I Electric Cooperative, Inc. (SORECO I), Pampanga III Electric Cooperative, Inc. (PELCO III), Nueva Vizcaya Electric Cooperative (NUVELCO), Misamis Occidental I Electric Cooperative, Inc. (MOELCI I), Camarines Sur III Electric Cooperative, Inc. (CASURECO III), Quezon I Electric Cooperative, Inc. (QUEZELCO I), Occidental Mindoro Electric Cooperative, Inc. (OMECO), Davao del Norte Electric Cooperative, Inc. (DANEKO), Abra Electric Cooperative (ABRECO), and Zamboanga City Electric Cooperative, Inc. (ZAMCELCO).

Meanwhile, among the seven remaining 'ailing' ECs, ABRECO progressed from Category D to C, while Masbate Electric Cooperative, Inc. (MASELCO) and Sulu Electric Cooperative, Inc. (SULECO) maintained their Category C status. The other four, namely Albay Electric Cooperative, Inc. (ALECO), Basilan Electric Cooperative, Inc. (BASELCO), Lanao del Sur Electric Cooperative, Inc. (LASURECO), and Tawi-Tawi Electric Cooperative, Inc. (TAWELCO), remained as Category D power co-ops.

NEA evaluates and determines the overall performance ratings of all ECs annually. In 2019, the state-run agency amended the guidelines on the EC Overall Performance Assessment. The new set of parameters are the following: financial (25 points), institutional (30 points), technical (20 points), level of electrification (20 points), and reportorial compliance (5 points).

The AAA rating is the highest score given by the NEA to ECs that indicates the power distribution utilities' full compliance on all parameters. The D rating is the lowest.

NEA Administrator Edgardo Masongsong welcomed the results of last year's EC Overall Performance Assessment, while he congratulated those power co-ops that attained AAA rating.

ECs that need further improvements in the overall performance should reassess their financial, institutional, and technical operations; implement more aggressive strategies and

activities, and closely monitor their progress to address major issues and concerns.

On the Size Classification of ECs, the number of Mega Large ECs increased from 66 to 72 while the number of Extra Large ECs decreased from 32 to 26. The number of ECs classified as Large remained at 17. At least two ECs were classified as Medium and four ECs as Small.

Further, six ECs expanded their power market coverage resulting in the improvement of their size classification from Extra Large to Mega Large, namely Zambales II Electric Cooperative, Inc. (ZAMECO II), OMECO, SORECO I, Iloilo III Electric Cooperative, Inc. (ILECO III), Eastern Samar Electric Cooperative, Inc. (ESAMELCO), and Maguindanao Electric Cooperative, Inc. (MAGELCO).

The results of the 2019 EC Overall Performance Assessment and Size Classification will serve as the basis for the adjustments of salaries, benefits, allowances and incentives of EC officials and employees.###



NEA cited for governance and transparency initiatives

In its aspiration to provide the agency’s various stakeholders with quality service, NEA ensures that its processes conform to the governance standards and directives of its regulatory and supervisory bodies namely DOE, GCG, PCOO, CSC and the Office of the Malacanang, among others.

In the last quarter of 2020, NEA has been cited and conferred with numerous awards recognizing its diligent compliance to Freedom of Information (FOI) Program of the Presidential Communications Operations Office (PCOO), Government Energy Management Program (GEMP) of the Department of Energy (DOE), Citizens’ Complaints Hotline or Hotline 8888 of the Office of Malacanang, and Corporate Governance System of the Governance Commission for GOCCs (GCG).

In recognition of its significant contribution to the FOI program’s progress and development, NEA was awarded second runner-up in the Government-Owned and Controlled Corporations (GOCCs) category at the 2020 Freedom of Information (FOI) Awards.

Deputy Administrator for Legal Services Atty. Rossan Rosero-Lee, CCSMO Acting Manager Rosarita Salvador, and Head Executive Assistant John Patrick Sean Barnedo received the plaque of recognition during the 2020 FOI Awards ceremony on November 25.

On December 7, NEA received another commendation, the 2020 Government Energy Management Program (GEMP) Award in a virtual ceremony held by the Department of Energy (DOE) as organized by the DOE-Energy Utilization Management Bureau. This was in recognition of NEA’s remarkable performance in complying with GEMP guidelines.

Deputy Administrator for Corporate Resources and Financial Services Sonia San Diego thanked the DOE for the recognition on behalf of Administrator Edgardo Masongsong, the NEA management and staff.

The award was given during the Energy Efficiency Awards held virtually today as part of the DOE’s National Energy Consciousness Month (NECM) celebration anchored on the theme “Building A

Sustainable Energy Future Amidst A Changing Landscape.”

Meanwhile, NEA was commended by the Office of the President for acting promptly on the citizens’ concerns and complaints lodged through the government’s 8888 Citizens’ Complaint Center.

In a letter addressed to Administrator Edgardo Masongsong, 8888 Citizens’ Complaint Center (CCC) Director Bernadette Casinabe recognized the agency’s efforts in ensuring that the citizens’ concerns and complaints are acted upon in a timely manner.

From January to October 2020, the 8888 CCC referred 389 complaints or tickets to the NEA for immediate action. All these 389 tickets were acted upon or equivalent to 100 percent resolution rate, said Casinabe.

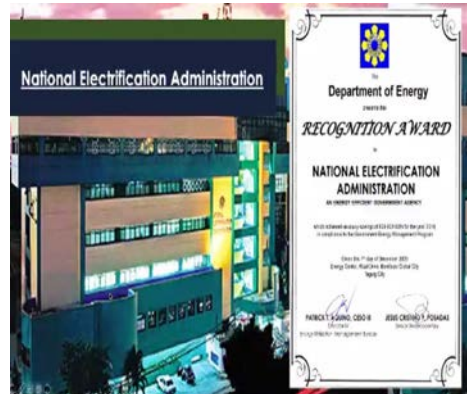
Deputy Administrator for Electric Cooperatives Management Services (ECMS) Atty. Vicar Loureen Lofranco thanked the Office of the President for the commendation. She also thanked the partner ECs for responding promptly and proactively on the consumer complaints that were coursed through the 8888 CCC.

In other news, NEA secured the 11th spot out of 80 Government-Owned and Controlled Corporations (GOCCs) in the 2019 Corporate Governance Scorecard (CGS) conducted by the Governance Commission for GOCCs.

NEA obtained an assessment rating of 91.67 percent. The CGS annually assesses the GOCC’s policies and practices on Stakeholder Relationships, Disclosure and Transparency, and Responsibilities of the Board.

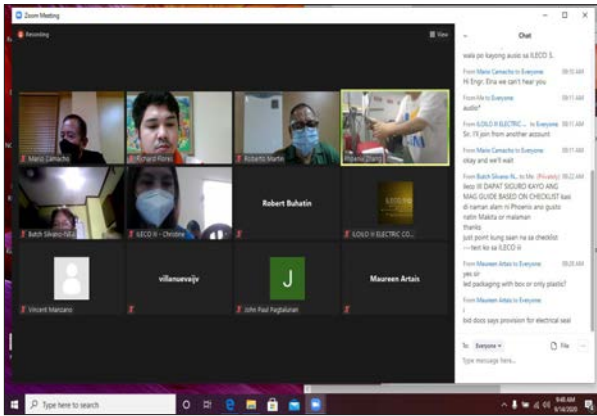
On behalf of the NEA Board of Administrators, the management and staff, Administrator Masongsong thanked GCG for recognizing the agency’s efforts, and to everyone in the rural electrification sector who are part of this achievement..

PHOTO GALLERY



'Virtual' factory acceptance test adopted for off-grid solar project due to COVID-19 restrictions

The NEA has started the virtual inspection for its off-grid rural electrification project in light of the coronavirus disease 2019 (COVID-19) pandemic.



The Total Electrification and Renewable Energy Development Department (TEREDD) together with the Iloilo III Electric Cooperative, Inc. (ILECO III) recently completed the conduct of virtual Factory Acceptance Test (FAT) or FAT-Light for the solar photovoltaic (PV) mainstreaming project intended for off-grid communities.

FAT-Light, as TEREDD explained, is a series of tests carried out via video conferencing technology to ensure the "quality and the workmanship of the solar home system units" prior to delivery and installation to a beneficiary.

TEREDD manager Ernesto Silvano Jr. said this process is normally conducted on-site where the equipment or the parts of the solar home system unit are being manufactured.

Due to the pandemic situation, the NEA was forced to look for other means of conducting the FAT without compromising the safety and health of its employees and partner ECs, while also ensuring the quality of equipment being procured.

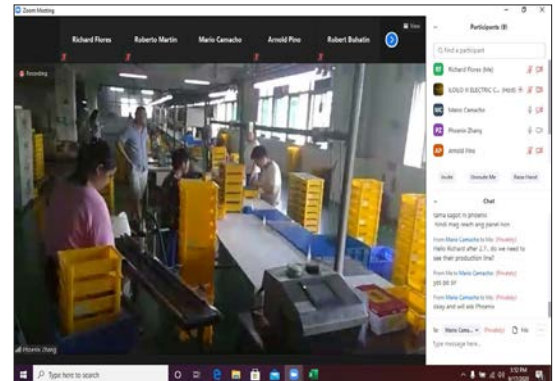
FAT-Light was patterned after the normal FAT. The same criteria and standards were observed using the same checklist as with the normal FAT. The only difference was that it was conducted via online platform.

On September 18, the NEA and ILECO III completed the virtual FAT, with Propmech Corporation and its partner technology provider in China, for the EC's

solar home system units.

The FAT Light includes testing of Battery and Battery Management System, PV module, Charge Controller, Vending Management System (VMS), Light Emitting Diode, lamps, and Visual Screening.

Other EC beneficiaries of the PV mainstreaming project include Busuanga Island Electric Cooperative, Inc. (BISELCO), Camarines Sur IV Electric Cooperative, Inc. (CASURECO IV), Cotabato Electric Cooperative, Inc. (COTELCO), and Zamboanga del Norte Electric Cooperative, Inc. (ZANECO). ###



NEA lends P364.5-M to power co-ops at end of 3Q, surpasses 2020 target

For the 3Q of 2020, NEA exceeded its full-year target for lending to ECs nationwide in just nine months of 2020.

Loan disbursements, including calamity loans, to ECs between January to September this year totaled P364.542 million, data from the NEA Accounts Management and Guarantee Department (AMGD) showed.

The NEA AMGD reported that the bulk of that loans or P261.462 million, went towards financing the capital expenditure (CapEx) projects, modular genset and working capital requirements of 11 ECs, surpassing the target by seven percent.

Excluding calamity loans, the NEA has set a target for the entire year to provide

P245-million in the form of loans to ECs that need financial assistance to bankroll their various rural electrification projects.

Of the amount, P189.059 million was lent to 10 ECs for their respective CapEx projects. These ECs are CAGELCO II, CASURECO I, CASURECO III, DANECO, MASELCO, MORESCO I, SULECO, SURSECO I, TISELCO, and QUEZELCO I.

About P38.762 million went to the Misamis Oriental I Rural Electric Service Cooperative, Inc. (MORESCO I) for the procurement of modular generator sets, and P33.641 million to the Occidental

Mindoro Electric Cooperative, Inc. (OMECO) as a working capital.

Calamity loans, on the other hand, stood at P103.080 million. The 12 ECs that availed of the loans were CASURECO III, ILECO III, LUBELCO, MARELCO, MASELCO, NORSAMELCO, OMECO, ORMECO, SORECO I, SORECO II, TIELCO, and TISELCO — all incurred significant damages from previous typhoons 'Ursula' and 'Tisoy.' The calamity loan has a 10-year repayment term, with a grace period of one year and an interest rate of 3.25 percent per annum. ###

NEA, DPWH to work with power co-ops to fast-track relocation of electric poles

NEA is working with the ECs and the Department of Public Works and Highways (DPWH) to immediately address concerns raised regarding electric poles that were not moved following road-widening projects.

On October 21, Administrator Masongsong stressed that the agency would be coordinating with the DPWH to immediately and properly implement Department of Energy (DOE)-DPWH Joint Circular No. 1, series of 2017, prescribing the uniform guidelines and procedures for the relocation of EC distribution/subtransmission lines, and the proper payment of the costs involved.

Under the said Joint Circular, the implementing agency of infrastructure projects requiring the relocation of electricity facilities like power lines "shall coordinate with the NEA and ECs to address all ROW (right of way) concerns related to the affected facility, such as, but not limited to, claims for compensation and determination of relocation site."

The agencies involved have long recognized the need to put in place mechanisms to ensure the proper relocation of power lines and electric posts in places where road-widening projects are undertaken.

Among the major steps involved in the relocation of power lines, per the Joint Circular are:

- (1) The implementing agency shall inform the EC in writing that its facility will be affected by a government project (e.g., road widening); it will likewise inform the NEA;
- (2) A joint survey and assessment of the project will be done by representatives of the implementing agency and the EC;
- (3) Within 30 calendar days after the joint survey and assessment, the EC shall submit a proposed program of work and its costs – duly certified by the NEA – to the implementing agency;



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(4) The implementing agency shall determine the proper compensation for the EC within 10 calendar days after the submission of the program of work;

(5) The implementing agency and the EC shall execute a Relocation Agreement within 15 days after the amount of compensation is determined.

The Relocation Agreement includes the terms of payment for the affected

power lines, the details of the affected facility, the schedule of the removal or relocation of the affected facility, and the target date of the removal.

The NEA chief acknowledged that delays are sometimes encountered in several cases because of complications, such as compensation or relocation cost by DPWH to the ECs and ROW issues in affected areas. However, that it is obligatory upon all of the parties involved to resolve these concerns as the safety of the public is concerned.###

NEA cited for governance... from page 3

Further, NEA received a 100% satisfaction rating from its customers, the ECs, as shown in the results of the 2020 Customer Satisfaction Survey (CSS) conducted by the Market Relevance Corporation (MRC), a Third Party Research Agency.

This milestone accomplishment clearly manifested how NEA values its customers by continuously

espousing good corporate governance in order to provide better service to the ECs.

The CSS covered nine items namely: Staff and Organization, Regulatory: Policies, Regulatory: Application, Financing Services, Technical Assistance, Information and Communication (Website), Complaints Handling, Records Keeping, Facilities. Overall, NEA's offices/departments were rated by the respondents with the average levels of satisfaction ranging from "Satisfied" to "Very Satisfied." ###

Power co-ops' electricity sales grow 3 percent in 3rd quarter — NEA

ECs in the country recorded a 3-percent increase in electricity sales during the third quarter of 2020 as against the same period last year, according to the National Electrification Administration (NEA) data.

In a report to Administrator Edgardo Masongsong, the agency's Information Technology and Communication Services Department (ITCSD) said that from July to September this year, the ECs sold 6,153 GWh of electricity compared with 5,950 GWh in the third quarter of 2019.

The NEA ITCSD also reported that the figure was also 3-percent higher than the 5,988 GWh of electricity sold by the electric co-ops in the second quarter of 2020.

In terms of energy consumption, the residential sector dropped from 62 percent in the second quarter to 59 percent in the third quarter; the commercial sector went up from 16 percent to 18 percent; while the industrial sector rose slightly from 16 percent to 17 percent.

According to NEA ITCSD manager Roderick Padua, the energy consumption level registered in the third quarter was "gearing towards the normal level prior to the coronavirus disease pandemic."

Third-quarter revenues of the ECs, meanwhile, declined by 4 percent to P54.128 billion from P56.407 billion recorded by the non-profit power distribution utilities in the same period in 2019.

The figure, however, was slightly up compared with P54.074 billion in the second quarter of 2020; and 9-percent higher than P49.672 billion revenues registered in the first quarter of the current year.###

NEA: Power co-ops' energy sales up by 12 percent in second quarter

Energy sales of the electric cooperatives (ECs) nationwide rose by 12 percent in the second quarter of the year amid the coronavirus disease 2019 (COVID-19) pandemic, latest data from the National Electrification Administration (NEA) showed.

The Second Quarter EC Statistical Report of the NEA Information Technology and Communication Services Department (ITCSD) revealed that the total energy sales of the ECs increased to 5,988 gigawatt hours (GWh) during April-June period from 5,337 GWh in the first quarter.

This is due to the 9-percent increase in electricity consumption by the residential sector, from 2,806 GWh in the first quarter to 3,693 GWh in the second quarter.

The pandemic restrictions, however, pushed the energy sales in the commercial sector to fall by 6 percent from 1,165 GWh to 982 GWh; industrial sector, down 3 percent from 1,000 GWh to 957 GWh; and public buildings and other consumers, down 1 percent from 366 GWh to 356 GWh.

While the ECs' total energy sales increased, the total revenues also went up by 9 percent to P54.074 billion from P49.672 billion in the first quarter.

However, sales and revenues of power cooperatives operating in Aklan, Benguet, Palawan, Bohol, and Siargao Island, which are highly dependent on tourism, fell sharply in the second quarter as a result of community quarantines imposed in these areas to prevent the spread of COVID-19.

NEA data showed the Aklan Electric Cooperative, Inc. (AKELCO) registered the biggest drop of 20-percent in sales, which is equivalent to P149 million in revenues, while the Benguet Electric Cooperative, Inc. (BENECO) also posted a double-digit decline of 18 percent or P145 million loss.

Sales of the Palawan Electric Cooperative, Inc. (PALECO) fell 9-percent, or P53 million loss. The Bohol I Electric Cooperative, Inc. (BOHECO I), on the other hand, saw a 6-percent decline in sales, or P50 million, while the Siargao Electric Cooperative, Inc. (SIARELCO) logged an 8-percent drop in sales or P7 million loss.

To recall, President Rodrigo Duterte placed the Philippines under a state of calamity through Proclamation No. 929 to curb the spread of COVID-19 cases in the country. The President also put the entire island of Luzon under "enhanced community quarantine" on March 16, 2020.###



NEWS AROUND THE ECS

NEA lauds role of PHILRECA in restoration of power in typhoon-hit areas



photos courtesy of PHILRECA

NEA recognized the role played by the Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA) in the restoration of electricity in provinces hit by the recent typhoons.

Administrator Masongsong issued the statement on December 1, as he congratulated PHILRECA on the occasion of its 41st Annual General Membership Meeting (AGMM) and Year-End Strategic Conference.

PHILRECA, the umbrella organization of 121 ECs, formally opened its 41st AGMM and Year-End Strategic Conference with the theme "Charging for the Future: Strengthening the One EC MCO Movement Towards a Resilient Rural Electrification Program."

In his message, the Administrator acknowledged the efforts of the organization in helping its member-ECs and ensuring that no

one gets left behind as the rural electrification sector rebuilds after the successive typhoons that struck the country.

The NEA chief cited in particular the immediate deployment of the 'Power Restoration Rapid Deployment' Task Force Kapatid to calamity-stricken provinces to assist the ECs there in the power restoration and rehabilitation activities.

In November, some 343 line workers and support personnel from 43 ECs in Luzon and Visayas left their home turfs to help restore power and normalcy in Bicol Region, Marinduque and Mindoro provinces following typhoons Quinta, Rolly, and Ulysses.

The deployment of power restoration teams, equipped with boom trucks, utility vehicles and necessary equipment, was done in

coordination with PHILRECA and its regional organizations, under the supervision of the NEA.

Masongsong said these "warriors of light" have worked tirelessly despite the risks to support restoration and recovery efforts in typhoon-affected areas. He also offered a moment of silence to honor fallen line workers.

"We have a major role to play in nation-building. Right now, the task at hand is the fulfillment of the Rural Electrification Program," the NEA chief told delegates at the 41st PHILRECA AGMM.

"Rural electrification is not just about construction of lines reaching the last household in the EC franchise area. It is about social and economic development in the countryside. It is about sustainable rural development through rural electrification," he said. ###

Power co-ops directed anew to implement grace period, staggered payment for bills

NEA has enjoined anew all electric cooperatives (ECs) in the country to provide consumers a grace period and staggered payment for electricity bills falling due within the community quarantine period.



photo courtesy of BILECO

Administrator Masongsong issued Memorandum No. 2020-047, endorsing the advisory of the Department of Energy (DOE) on providing a grace period to all power sector bills falling due during the community quarantine period.

The directive is pursuant to Presidential Proclamation No.1021, extending the state of calamity declaration throughout the country for one year, or until September 12, 2021, due to the coronavirus disease 2019 (COVID-19) pandemic.

The proclamation, signed on September 16, 2020, enjoined all government agencies and local government units to cooperate and mobilize the necessary resources to undertake critical, urgent, and appropriate disaster response aid and measures in a timely manner to curtail and eliminate the threat of COVID-19.



photo courtesy of SUKELCO

In issuing the memorandum, Administrator Masongsong also cited Republic Act No. 11494, also known as the "Bayanihan to Recover As One Act," which reaffirmed the existence of a continuing national emergency.

The said law directs the implementation of a minimum of 30-day grace period and staggered payment without interests, penalties, and other charges to all payments due within the period of the community quarantine in the entire electric power value chain.

All electric cooperatives are enjoined to abide by the directives, specifically the implementation of 30-day grace period and staggered payment for unpaid bills, particularly those that fall due within the community quarantine period.###

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